

Erie County Case Study

A Rolling Renaissance

To say that Erie County, Ohio's fortunes over the past hundred years have been a rollercoaster ride isn't just a figure of speech. The county is home to one of the most beloved amusement parks in the United States, Cedar Point, whose tag line — The Rollercoaster Capital of the World!® — is a registered trademark. The park operates 18 world-class rollercoasters, many of which lay claim to one or more superlatives — fastest, tallest, biggest, longest, etc. — and draws more than 3.5 million visitors every year.

Opened in 1870, Cedar Point itself has also evolved into one of Erie County's largest and most important businesses, employing more than 5,000 people during its operating season from May to September, and serving as the focus of a thriving tourist industry that pumps an estimated \$1.9 billion into the local economy every year and generates an estimated \$233 million in tax revenue. City leaders refer to the park as the "golden goose" because it is such a reliable source of recurring revenue — funds that help sustain the county's manufacturing base and diversify the rest of its economy in a way that may never have happened if the park didn't exist.

None of this was a foregone conclusion.

Re-imagining the Future

When Erie County auditor Rick Jeffrey was in high school, he and his friends used to take dates to Cedar Point to ride the Blue Streak rollercoaster and eat french fries. But, he says, the community itself was not particularly fond of the park. "There was only one road in and out, so during the summer it was impossible to get to the east side of the city," Jeffrey recalls. Traffic clogged the streets, houses along the route fell into disrepair, and residents were more likely to think of the park as a blight to the area than a benefit.

All that has changed. "Things around here used to be very territorial," Jeffrey says. "But there's a resurgence of pride in downtown now, and all the other cities here — Huron, Vermilion, Bellevue — as well as neighboring Ottawa County, are working cooperatively to make the whole area an attractive tourist destination."

Roads have been widened and resurfaced. Dilapidated housing has been cleared away. New attractions such as the nearby Kalahari water park have been built. Last year, the city opened the Cedar Point Sports Center, a 57-acre, \$23.5 million sports facility that includes 12 synthetic-turf baseball fields, 11 softball fields, and eight full-size fields for soccer and lacrosse. Cedar Point bought the land for \$3.5 million, and the bulk of the financing — \$17.5 million — was raised through a county



By Tad Simons

bed tax. The county estimates the facility will bring in about \$60 million in annual spending per year and generate \$1.7 million in admission and bed taxes. More important, it will give people a reason to visit Erie County when its celebrated amusement park is closed.

200 Years of Change

The city of Sandusky will be celebrating its 200th anniversary this year, and its history of disruptive change is a familiar one. In the late 1800s, shipping was king and a strong manufacturing base produced horse carriages, wheels, chalk (from lime), paper, tools, and other products. At one point, the area claimed to be the largest producer of wooden wagon wheels in the country — a distinction made irrelevant by automobiles. After World War II, both General Motors and Ford® built factories nearby, employing thousands of people for decades. A decline began in the 1980s. Following years of restructuring and downsizing, GM closed its plant last year. The Ford plant has been bought and sold several times over, though automobile components are still produced there. And the Oscar Mayer™ plant closed a long time ago.



During all this time, Cedar Point amusement park existed on a peninsula in Lake Erie, attracting plenty of visitors, but not much attention. That all changed in the 1990s, when Cedar Point's parent company, Cedar Fair Entertainment Group, embarked on an ambitious expansion plan. Building its brand around high-tech rollercoasters, the company began buying amusement parks around the country (including Knott's Berry Farm in California and the Mall of America's Camp Snoopy in Minnesota), eventually acquiring and operating more than a dozen properties.

In the late 1990s, Cedar Fair also stepped up its civic engagement with Erie County, crafting a long-term master plan to not only grow the park, but to lay the foundation for a complete economic renaissance in the area. Tourism would be the new cash cow, and The Rollercoaster Capital of the World would support the development of resorts, hotels, restaurants, and other related businesses, as well as an effort to re-brand the area as a year-round destination.

That's exactly what has happened, says Jeffrey. "In 2011, Cedar Fair was successful in attracting a former Disney executive, Matt Ouimet, as CEO. Disney gets people to spend three or four days at its properties, and that became Ouimet's goal — to get people to think of us as more than just a day trip, and more than just a summer destination."

Phase two of the Cedar Point Sports Center, for example, calls for an adjacent indoor sports facility for basketball, volleyball, and tennis tournaments — along with a conference center, bike trails, and other business- and family-friendly enhancements. Patterned after ESPN's Wide World of Sports complex in Orlando, the idea is to establish Erie County as the go-to destination for tournaments in virtually every major category of youth sport in the Midwest, enticing young athletes and their families to visit — and spend — all year long.



Economic Turnaround

Tourism isn't the only industry that's getting a boost. Cedar Point gives \$500,000 to the city of Sandusky every year to use as it sees fit. Property valuations are up. Manufacturing has made a quiet but steady comeback, comprising four of the top 10 employers in the area. And businesses such as Label Aid, a digital printing firm, are expanding.

"It's been a positive situation for almost everyone," Jeffrey says. As county auditor for the past eight years, however, Jeffrey acknowledges that community leaders have been engaged in a delicate balancing act between those who would prefer to simply tax Cedar Point (through an admission tax, which has been tried), and those who see the benefits of working together with the 800-pound gorilla in their midst.

"Those of us in the business community understood the relationship between Cedar Point and the surrounding community," says Jeffrey. "In situations like this you don't have to give up the farm to the largest entity in town. But in my mind, you always have to be aware of your needs and their needs, and make sure they continue to thrive so that everyone else can benefit too."

In the long run, says Jeffrey, diversifying the county's tax base through a wide range of businesses should provide more overall economic stability and open up more year-round job opportunities. The hope is that small tech companies and other types of manufacturers will be enticed to Erie County by its abundance of family-friendly amenities and world-class amusements.

Cedar Point's newest rollercoaster is called Steel Vengeance. Billed as a "hyper-hybrid" coaster (wood, steel, and high-tech combined), it claims to break at least 10 world records — tallest, fastest, steepest, and longest among them. If the past is any guide, millions of Midwesterners will make the pilgrimage to Cedar Point this summer to get their fill of thrills. But for the surrounding area, the fun is just beginning.

"It's been a great ride," says Jeffrey of Erie County's economic revival — one he hopes doesn't stop anytime soon.



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Auditor Rick Jeffrey’s office uses several Aumentum MVP packages — including Tax, CAMA, and manufactured HOMES — and has been recognized nationally for his leadership in responsible governance. Every year from 2011-2016, Jeffrey has been honored by the Government Finance Officers Association for Outstanding Achievement in Popular Annual Financial Reporting.

Each year, he takes on the monumental task of writing a highly condensed “popular” version of the county’s annual financial. Jeffrey’s version distills everything a citizen needs to know about the operation of their local government into an easy-to-read, graphic-friendly format.

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